

Mendocino County Economic Forecast

Mendocino County is located on the coast of Northern California. The county shares a southern border with Sonoma County, and an eastern border with Lake County. Trinity and Humboldt Counties are immediately to the north. Mendocino County has a population of 89,970 people and 32,040 wage and salary jobs. The per capita income in the county is \$26,250, and the average salary per worker is \$30,750. The median family income is estimated at \$49,600 in 2005.

In 2004, total wage and salary jobs declined by 1,020 workers, a sharp drop of 3.1 percent. Non-farm employment lost 1,260 jobs. This represents a decline of 4.1 percent. Farm employment, on the other hand, created 240 jobs last year. Despite the loss of jobs in the county, the unemployment rate declined to 6.5 percent in 2004.

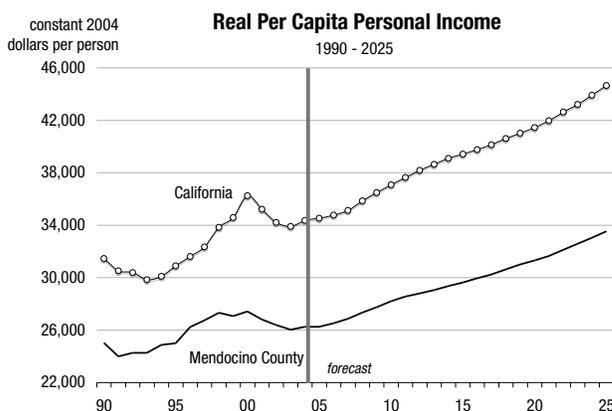
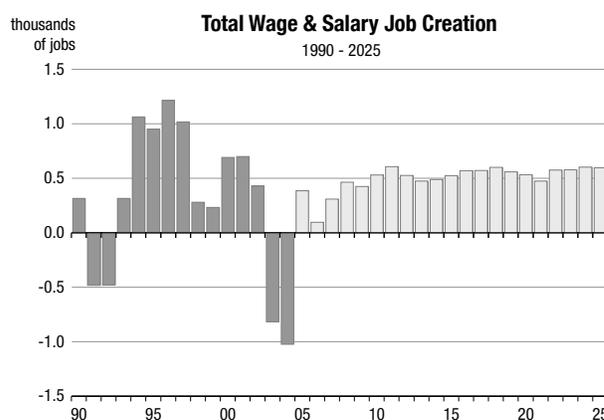
The only sector to produce a significant number of jobs in the county last year was the farm sector. Employment in the farm sector grew 11 percent. Several sectors experienced a sharp decline in employment last year, including government, leisure services, manufacturing, and construction. Over 450 jobs were lost in the public sector last year, and an additional 240 jobs were lost in the manufacturing sector. The largest employment sectors in the county are government, retail trade, leisure services, education and healthcare services, and manufacturing.

The population in Mendocino County rose just 0.8 percent in 2004. The fastest growing cities in the county are Fort Bragg and Willits, which grew 0.7 and 0.5 percent respectively between January 2004 and January 2005. Net migration was positive last year, with an estimated total of 420 migrants entering the county.

Employment growth is expected to turn positive over the next several years, as a result of non-farm employment growth. Population growth will be positive, but is expected to remain modest over the next several years.

Forecast Highlights

- Non-farm job growth is forecast to remain negative in 2005, with non-farm employment declining a scant 0.2 percent. Job growth is expected to turn positive after 2005, averaging 1.4 percent per year between 2005 and 2010.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.8 percent per year over the next 5 years.
- Between 2005 and 2010, the momentum for employment growth is in government and leisure services. These two sectors will account for 74 percent of total job creation in the county over the next five years.

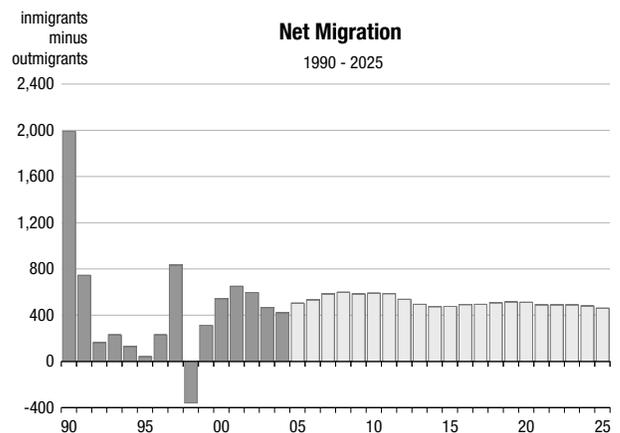
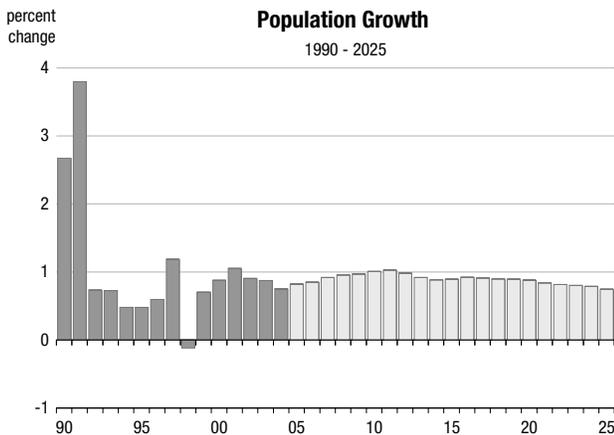


- The population in the county will continue to grow, but at a much slower rate than the state average. Annual growth in the 2005 to 2010 period averages 0.9 percent per year. Average growth in the state during this same period is 1.5 percent per year.
- Net migration will increase to an estimated 500 people in 2005. Over the next five years net migration is expected to average 580 net migrants per year.
- Real per capita income is forecast to decline marginally in 2005. Over the next five years real per capita incomes are expected to increase an average of 1.4 percent per year.
- Industrial production is forecast to increase 1.8 percent in 2005. Over the next five years the growth rate of industrial production will increase, with total production rising 6.0 percent per year. Total crop production, adjusted for inflation, is expected to increase an average of 0.5 percent per year between 2005 and 2010.

Mendocino County Economic Forecast

1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	83,800	41	90.7	32.6	277	\$0.7	\$1.6	\$24,987	2.0	117.0	0.54	9.6
1996	84,300	230	92.8	32.8	238	\$0.7	\$1.7	\$26,230	2.3	149.7	0.64	8.7
1997	85,300	835	87.2	33.1	259	\$0.8	\$1.8	\$26,740	3.4	179.0	0.71	8.1
1998	85,200	-359	91.2	33.3	266	\$0.8	\$1.9	\$27,319	3.2	153.4	0.67	7.9
1999	85,800	313	93.9	33.5	270	\$0.9	\$2.0	\$27,065	4.2	147.1	0.77	6.9
2000	86,555	542	97.1	33.3	275	\$1.0	\$2.2	\$27,419	4.5	141.8	0.89	5.5
2001	87,466	650	101.0	33.5	353	\$1.0	\$2.2	\$26,802	5.4	137.2	0.65	5.9
2002	88,258	596	104.4	33.7	458	\$1.0	\$2.3	\$26,375	1.6	130.8	0.60	6.7
2003	89,032	466	104.2	34.1	382	\$1.1	\$2.3	\$26,021	1.8	120.5	0.60	6.9
2004	89,701	421	110.9	34.5	350	\$1.2	\$2.4	\$26,255	1.2	121.1	0.59	6.5
2005	90,440	504	116.9	34.9	369	\$1.3	\$2.4	\$26,252	1.7	126.4	0.60	6.5
2006	91,211	533	121.6	35.3	408	\$1.3	\$2.5	\$26,523	2.7	126.9	0.62	6.5
2007	92,049	584	125.5	35.7	415	\$1.4	\$2.7	\$26,855	2.6	126.4	0.66	6.4
2008	92,931	598	129.0	36.1	422	\$1.5	\$2.8	\$27,334	2.6	127.5	0.71	6.2
2009	93,835	583	132.1	36.5	427	\$1.5	\$2.9	\$27,743	2.5	128.1	0.75	6.1
2010	94,781	590	135.0	36.9	427	\$1.6	\$3.1	\$28,195	2.7	129.7	0.80	6.0
2011	95,758	586	137.9	37.3	430	\$1.7	\$3.3	\$28,548	2.7	129.2	0.85	5.7
2012	96,700	536	140.7	37.7	432	\$1.8	\$3.4	\$28,802	2.8	130.2	0.90	5.4
2013	97,591	493	143.4	38.1	426	\$1.9	\$3.6	\$29,046	2.9	130.8	0.96	5.1
2014	98,457	474	146.1	38.6	421	\$2.0	\$3.8	\$29,361	2.9	130.2	1.01	4.9
2015	99,338	475	148.7	39.0	419	\$2.0	\$3.9	\$29,624	3.1	130.8	1.06	4.7
2016	100,256	492	151.5	39.4	419	\$2.1	\$4.1	\$29,949	3.0	131.3	1.11	4.6
2017	101,172	494	154.2	39.8	420	\$2.2	\$4.3	\$30,230	2.9	131.8	1.16	4.6
2018	102,083	507	157.0	40.2	423	\$2.3	\$4.6	\$30,635	2.7	131.3	1.21	4.4
2019	102,998	515	159.8	40.6	427	\$2.4	\$4.8	\$31,000	2.8	132.4	1.26	4.2
2020	103,908	511	162.5	41.0	428	\$2.6	\$5.0	\$31,313	2.7	132.9	1.33	4.0
2021	104,784	489	165.1	41.5	424	\$2.7	\$5.2	\$31,639	2.6	133.4	1.37	3.8
2022	105,640	489	167.7	41.9	420	\$2.8	\$5.5	\$32,122	2.6	132.9	1.40	3.7
2023	106,488	491	170.3	42.3	419	\$2.9	\$5.8	\$32,576	2.7	133.9	1.44	3.5
2024	107,327	480	172.8	42.7	416	\$3.0	\$6.1	\$33,047	2.7	133.4	1.49	3.4
2025	108,128	461	175.3	43.1	414	\$3.2	\$6.4	\$33,526	2.7	133.9	1.53	3.2



Mendocino County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1995	29.3	1.93	1.21	4.06	0.58	4.98	1.03	1.48	0.43	3.41	3.50	5.3
1996	30.5	2.17	1.30	4.58	0.65	5.14	1.03	1.30	0.44	3.45	3.60	5.3
1997	31.5	2.41	1.36	4.93	0.64	5.14	1.04	1.55	0.49	3.46	3.66	5.3
1998	31.8	2.47	1.35	4.82	0.68	5.14	1.03	1.81	0.46	3.47	3.61	5.4
1999	32.1	2.41	1.35	5.01	0.67	5.25	1.09	1.60	0.46	3.46	3.68	5.6
2000	32.7	2.49	1.49	4.79	0.70	5.17	0.95	1.67	0.48	3.45	3.73	6.4
2001	33.4	2.47	1.64	4.08	0.71	5.36	1.15	1.75	0.54	3.47	4.19	6.7
2002	33.9	2.34	1.66	3.75	0.73	5.31	1.17	1.78	0.47	3.57	4.14	7.7
2003	33.1	2.17	1.61	3.38	0.71	5.23	1.19	1.76	0.49	3.38	4.13	7.8
2004	32.0	2.41	1.48	3.14	0.67	5.25	1.20	1.71	0.45	3.29	3.99	7.4
2005	32.4	2.82	1.49	3.09	0.66	5.25	1.21	1.77	0.45	3.22	4.05	7.3
2006	32.5	2.78	1.49	3.09	0.66	5.27	1.23	1.81	0.45	3.15	4.11	7.4
2007	32.8	2.73	1.50	3.10	0.68	5.29	1.23	1.88	0.46	3.12	4.20	7.5
2008	33.3	2.67	1.53	3.11	0.70	5.32	1.23	1.96	0.47	3.09	4.33	7.7
2009	33.7	2.63	1.54	3.11	0.73	5.36	1.24	2.03	0.47	3.05	4.41	8.0
2010	34.2	2.60	1.56	3.12	0.76	5.42	1.25	2.11	0.48	3.04	4.51	8.2
2011	34.9	2.63	1.57	3.13	0.78	5.47	1.26	2.18	0.49	3.05	4.59	8.5
2012	35.4	2.65	1.55	3.14	0.81	5.54	1.27	2.25	0.49	3.02	4.67	8.8
2013	35.9	2.61	1.56	3.15	0.84	5.60	1.28	2.30	0.50	2.99	4.74	9.1
2014	36.3	2.57	1.55	3.16	0.86	5.66	1.29	2.35	0.50	3.00	4.81	9.4
2015	36.9	2.54	1.56	3.16	0.89	5.73	1.31	2.39	0.51	3.01	4.89	9.7
2016	37.4	2.52	1.57	3.16	0.91	5.80	1.32	2.42	0.51	3.06	4.98	10.0
2017	38.0	2.50	1.58	3.17	0.94	5.87	1.33	2.45	0.52	3.10	5.07	10.3
2018	38.6	2.48	1.60	3.17	0.96	5.94	1.34	2.48	0.52	3.17	5.15	10.6
2019	39.2	2.44	1.61	3.17	0.99	6.01	1.35	2.50	0.52	3.25	5.21	10.9
2020	39.7	2.42	1.60	3.17	1.02	6.08	1.36	2.53	0.53	3.33	5.24	11.2
2021	40.2	2.34	1.59	3.17	1.05	6.15	1.37	2.55	0.53	3.40	5.28	11.5
2022	40.8	2.32	1.59	3.18	1.09	6.22	1.38	2.58	0.53	3.49	5.31	11.8
2023	41.3	2.30	1.60	3.19	1.12	6.29	1.39	2.60	0.54	3.56	5.34	12.1
2024	41.9	2.29	1.62	3.20	1.15	6.36	1.40	2.63	0.54	3.64	5.37	12.4
2025	42.5	2.27	1.64	3.21	1.18	6.44	1.42	2.65	0.55	3.71	5.39	12.7

